

Negative Impacts of Decreased Funding to County Road Agencies

- At least 25 counties have returned paved roads to gravel:
 - 7 counties reported this in 2007. This number increased to 25 in 2008;
 - Calhoun, Delta, Dickinson, and Menominee have returned paved roads to gravel; and
 - Clinton, Grand Traverse, Gratiot, Jackson, and Washtenaw are considering.

- Calhoun County Road Commission Example:
 - Due to budget restraints, no sealcoat or paving scheduled in 2009. Summer maintenance = just patching potholes; and
 - Calhoun CRC reverted paved roads to gravel last year. They have already returned 2 miles to gravel this year, and anticipate another 5 miles later this summer with more possible next year.

- Staffing was been reduced over the past several years:
 - In 2007, 72 CRCs eliminated positions, 11 laid off workers;
 - In 2008, 67 CRCs eliminated positions, 14 laid off workers;
 - In 2007-2008, 10 different CRCs have temporarily shut down operations in the summer;
 - Many agencies are already operating below levels that optimize efficiency;
 - In 2007, the following agencies eliminated or did not fill vacant positions- Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Jackson, Kalamazoo, Kalkaska, Kent, Macomb, Menominee, Oakland, Washtenaw and Wayne;
 - In 2007, the following agencies laid off workers- Grand Traverse, Washtenaw and Wayne;
 - In 2008, the following agencies eliminated or did not fill vacant positions- Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Jackson, Kalamazoo, Kent, Menominee, Oakland, Washtenaw and Wayne;
 - In 2008, the following agencies laid off workers- Washtenaw and Wayne; and
 - In 2007-2008 most road agencies implemented policies to reduce overtime- This impacted every county represented by a member of this committee.

- Reduce or eliminate bridge/culvert replacement:
 - 7 made this decision in 2007. This number increased to 21 in 2008;
 - In 2007, Washtenaw and Wayne; and
 - In 2008, Calhoun, Clinton, Grand Traverse and Wayne.
- Reduced heavy maintenance and replacement efforts (paved surfaces):
 - 33 made this decision in 2007. This number increased to 54 in 2008;
 - In 2007, Clinton, Grand Traverse, Gratiot, Jackson, Macomb, Oakland and Wayne; and
 - In 2008, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Menominee, Oakland, Washtenaw and Wayne.
- Counties have had to reduce routine maintenance and preservation:
 - 44 reported this in 2007. This number increased to 66 in 2008;
 - In 2007, Ionia, Jackson, Kent, Macomb, Menominee and Oakland;
 - In 2008, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Jackson, Kent, Menominee, Oakland, Washtenaw and Wayne;
 - Considering for 2009-10, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Jackson, Menominee, Oakland and Washtenaw.
- Reduced gravel road maintenance:
 - 15 reported this in 2007. This number increased to 47 in 2008;
 - In 2007, Macomb, Oakland and Wayne; and
 - In 2008, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Kent, Menominee, Oakland and Wayne.
- Reduce or Eliminate Equipment purchases:
 - 11 reported this in 2007. This number increased to 61 in 2008;
 - In 2007, Clinton and Grand Traverse;
 - In 2008; Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Kent, Menominee, Oakland, Washtenaw and Wayne; and
 - The following counties expect to further delay future equipment purchases, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Jackson, Kent, Menominee, Oakland and Washtenaw.
- Operating with Equipment outside service life:
 - 14 reported this in 2007. This number increased to 60 in 2008;
 - In 2007, Clinton, Grand Traverse, Menominee and Oakland;
 - In 2008, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Ionia, Jackson, Menominee, Oakland, Washtenaw and Wayne.

- Reduce or Eliminate Brush Control (traffic safety):
 - 7 made this change in 2007. This number increased to 44 in 2008;
 - In 2007, No counties represented by committee members made this change;
 - In 2008, Calhoun, Clinton, Delta, Dickinson, Grand Traverse, Gratiot, Washtenaw and Wayne;
 - The following counties indicate they expect further reduction, Calhoun, Dickinson, Grand Traverse, Ionia, Jackson, Kent and Menominee.

- Discontinued Services or Decreased the Level of Service:
 - 47 decreased services in 2007. This number increased to 65 in 2008;
 - We saw this past winter that this is now impacting all road agencies including MDOT.

- Increased township participation for local road projects:
 - Due to the lack of available funding, most counties are increasing the level of participation required of townships to complete projects on local roads;
 - MTF funds cannot account for more than 90% of the project construction costs;
 - In 2007, increases in township share were reported by Grand Traverse, Kalkaska, Macomb, Menominee and Washtenaw;
 - In 2008 and future years, Calhoun, Clinton, Dickinson, Grand Traverse, Gratiot, Jackson, Menominee, Washtenaw and Wayne.

Other Negative Impacts- Comments from Committee Member's Districts:

Clinton: We have a decreased level of customer satisfaction. It is difficult to help motorists understand the lack of funding.

Delta: Poor public relations due to the length of time it is taking to do snow removal and the reduced amount of ice control.

Dickinson: We are no longer providing the service to the public as in the past. Grading, patching, mowing and other routine maintenance is losing ground.

Washtenaw: We anticipate more major equipment breakdowns and longer equipment down time.

County Road Agencies Ability to Match Federal Aid

12 Road Commissions indicate they have already delayed an approved federally funded project because of a lack of matching funds. At least \$19.5 Million in federal aid was involved in these projects. Delaying projects often increases the project cost and increases the burden on motorists and business owners.

Calhoun delayed a \$600,000 project from 2008 to 2009. This delay caused them to spend additional money on patching materials since the road was in need of an overlay.

Dickinson indicated that they have always found a way to match federal funds. However this has been done at the expense of all other parts of their operation. "Our workforce has been reduced to a point where there are not enough employees for all the plow routes, and less construction and maintenance is done. Capital outlay for equipment has been greatly reduced; with the average age of our trucks and equipment increasing every year. Plans to replace our main garage facilities - parts which date to the early 1900s, have been on hold indefinitely. Local projects have been reduced and/ or cancelled."

Grand Traverse has not delayed a project due to the lack of matching funds but did delay a project due to the lack of funds to purchase right-of-way needed to complete the project.

Gratiot has not yet delayed a project, but they have had to cut out local projects and equipment purchases to match available federal funds.

Kalkaska is delaying an \$800,000 critical bridge project from 2009 to 2010 and hopes to secure funding from the township where the bridge is located to match the funding.

Macomb has delayed or passed on 6 projects in the past 3 years, totaling more than \$11.8 Million:

- In 2006, the road commission lost 3 safety projects, \$360,000;
- In 2007, 26 Mile from VanDyke to M-53, \$2.4 million was delayed 3 years;
- In 2007, Metro Parkway from Groesbeck to Garfield, \$6.4 million was delayed 2 years;
- The cost of the two projects delayed in 2007 increased by \$1.7 Million; and
- In 2008, Metro Parkway, Gratiot to Groesbeck, \$2.688 million was delayed 2 years. The cost of this project is estimated to increase by \$800,000.

20 County Road Agencies indicate they will likely be unable to match \$56.76 Million in federal funding from FY 2010 to FY 2012.

Calhoun indicates that matching funds will be available, but this will be at the expense of preventative maintenance operations such as seal-coating to extend pavement life.

Clinton receives approximately \$650,000 annually and potentially all of this funding is at risk due to a lack of matching funds.

Delta faces a shortage of matching funds to complete projects over the next 3 years, with \$465,000 in federal aid available annually.

Dickinson indicates that at current revenue levels, there may reach a point where they must sacrifice construction for labor/equipment/facilities instead of vice versa. They have no immediate plans to return federal aid to their Rural Task Force (RTF).

Grand Traverse indicates they are struggling to find matches to local funds as well as federal aid. They risk losing \$400,000.

Gratiot expects to have funding available to match federal aid only because “we are cutting out everything else in our budget (seal coats, asphalt overlays, employees) to have money for the match.”

Kalkaska indicates they could lose \$480,000 in state and federal aid if they are unable to locate matching funds. They are currently negotiating with townships to garner assistance with the projects.

Macomb indicates that several projects are at risk including:

- Concrete repair, \$2.8 Million;
- 18 Mile, \$2.8 Million;
- Metro Parkway, M3 to M97, \$3.84 Million;
- Hayes, 21 ½ to 23 Mile, \$3.52 Million; and
- 26 Mile, \$2.4 Million.

Oakland indicates that they may be unable to match funds for 3 projects in 2012 involving \$8,640,000.

- Southfield Road, 10 Mile to 11 Mile, Reconstruct to 4-lane boulevard (\$8 Million- Category C);
- Safety intersection (TBD), \$320 ,000; and
- CMAQ Intersection (TBD), \$320,000.

Wayne indicates that beginning in FY 2010, and for the foreseeable future if funding is not increased, projects will need to be deferred to future years. Approximately \$3 Million of STP-U that normally would be used on county federal aid roads will go to other agencies.

County Road Agencies Ability to Match Federal Aid- Summary

12 Road Commissions indicate they have already delayed an approved federally funded project because of a lack of matching funds. At least \$19.5 Million in federal aid was involved in these projects. Delaying projects often increases the project cost and increases the burden on motorists and business owners.

Those counties that have delayed projects include: Benzie, Berrien, Calhoun, Iron, Kalkaska, Livingston, Macomb, Newaygo, Oceana, Ontonagon, Osceola and Van Buren.

21 County Road Agencies indicate they will likely be unable to match \$56.76 Million in federal funding from FY 2010 to FY 2012.

Those counties anticipating the need to return federal aid include: Bay, Benzie, Berrien, Clinton, Delta, Grand Traverse, Hillsdale, Houghton, Kalkaska, Keweenaw, Luce, Macomb, Monroe, Montcalm, Oakland, Oceana, Oscoda, Schoolcraft, St. Clair, Van Buren and Wayne.

Many road commissions advanced available federal aid thru FY 2012 with the Local Jobs Today program providing matching funds for federal projects. If this had not occurred, the number of agencies unable to match funds over this period would likely be much higher.

- Some of these counties include: Baraga, Cheboygan, Crawford, Emmet, Houghton, and Leelanau.

Michigan Transportation Fund (MTF) revenues are not sufficient to allow several other agencies to match funding, however funds from other sources such as the Indian Reservation Road (IRR), local townships, county millages, and special categories of competitive state funding (Transportation Economic Development Funds, etc...) have provided the necessary match.

- Some of these counties include: Alcona, Alpena, Antrim, Baraga, Berrien, Branch, Chippewa, Emmet, Gladwin and Washtenaw.

Another factor that has kept these numbers “artificially low” is that many agencies have not applied for all available funds because they knew the matching funds were unavailable.

- Some of these counties include: Alpena, Baraga, Berrien, Ionia, Isabella, Mecosta, Oceana, and St. Clair.

There are also several county road agencies that receive such a small amount of federal aid it is necessary to delay projects while necessary funding accumulates.

- Some of these counties include: Crawford, Gogebic and Keweenaw.

Many of the counties able to match federal aid indicated this is being done at the expense of other programs. This cannot continue forever. No excuses! Fix MI Roads!